

AMENDING SECTION 3 OF AN ACT AUTHORIZING THE  
COMMISSIONERS OF THE DISTRICT OF COLUMBIA TO SETTLE  
CLAIMS AND SUITS AGAINST THE DISTRICT OF COLUMBIA,  
APPROVED FEBRUARY 11, 1929

JULY 19, 1951.—Committed to the Committee of the Whole House on the State  
of the Union and ordered to be printed

Mr. HARRIS, from the Committee on the District of Columbia,  
submitted the following

REPORT

[To accompany S. 262]

The Committee on the District of Columbia, to whom was referred the bill (S. 262) to amend section 3 of an act authorizing the Commissioners of the District of Columbia to settle claims and suits against the District of Columbia, approved February 11, 1929, and for other purposes, having considered the same, report favorably thereon without amendment and recommend that the bill S-262 do pass.

The needs for this legislation are explained in the Commissioners' letter of September 28, 1950, to Hon. Sam Rayburn, Speaker of the House, which is made a part of this report.

GOVERNMENT OF THE DISTRICT OF COLUMBIA,  
Washington 4, D. C., September 28, 1950.

HON. SAM RAYBURN,  
Speaker, United States House of Representatives,  
Washington 25, D. C.

MY DEAR MR. RAYBURN: The Commissioners of the District of Columbia have the honor to submit to you herewith a draft of a proposed bill to amend section 3 of an act authorizing the Commissioners of the District of Columbia to settle claims and suits against the District of Columbia, approved February 11, 1929, and for other purposes.

The act approved February 11, 1929, was enacted to permit the Commissioners of the District of Columbia, in their discretion, to settle claims and suits against the District of Columbia under two circumstances, as follows:

1. When the cause of action arises out of the negligence or wrongful act of an officer or employee of the District of Columbia for whose negligence or acts the District of Columbia is prima facie liable to respond in damages; or (2) whenever

the cause of action arises out of the existence of facts and circumstances which placed the claim or suit within the doctrines or principles of law decided by the courts of the District of Columbia or the Supreme Court of the United States to be controlling in the District.

Section 3 of the act placed a limitation of \$5,000 upon such settlements. When this act was passed in 1929 the limitation of \$5,000 provided the Commissioners with sufficient latitude to settle most, if not all, of the claims that it was contemplated the act should embrace. Since that time, costs of all of the items which make up such claims have risen sharply. Such items include, but are not limited to, medical and hospital expenses, loss of earnings, and repair of property damage. In addition, considerably increased living costs since 1929 have influenced juries to return much larger verdicts in damage actions than was heretofore the case. Indeed, in cases of personal injury where permanent injuries result, it has been found extremely difficult to settle claims within the limitation of \$5,000 now contained in the act. There are pending against the District of Columbia at the present time several claims and suits where it is represented that the actual out-of-pocket expenses of the claimants exceeds \$5,000. The Commissioners, accordingly, are of the opinion that the limitation on the amount of settlements that can be made under the act should be increased from \$5,000 to \$10,000, believing that, thereby, some claims may be settled which, if they are not so disposed of, may result in verdicts against the District considerably in excess of \$10,000.

For many years the Commissioners have deemed it advisable to have authority to settle claims and suits which the District of Columbia may have against any other person. At the present time they have no such authority, and, not being permitted to settle, they must demand payment of the full amount of any claim or nothing at all. Many claims on which the bringing of suit would entail too great an expense must be dropped. In addition, many claims, particularly those involving construction and other types of contracts, involve numerous sizeable items, some of which are doubtful, while others of which appear to be quite sound and collectible. Because of the inability of the Commissioners to drop any portion of a claim, settlements cannot be effected and expensive litigation must be proceeded with. A bill practically identical with the proposed new section 5 in the attached draft was introduced in the Seventy-sixth Congress, first session, as S. 2640 and H. R. 6834. As H. R. 6834 the bill passed both Houses of Congress but was vetoed by the President because it contained no limitation as to amount of settlement. The veto message of President Franklin D. Roosevelt (Doc. 463, 76th Cong., 1st sess.) contained the following paragraph: "The objective of the measure is clearly desirable. Unfortunately, however, its scope is far broader than the end in view since no limitation on the size of the claim that would be subject to the proposed authority is included. Such a safeguard, in an appropriate amount, would seem to be requisite." What is believed to be an appropriate limitation has been included in the proposed new section 5.

The Commissioners recommend the passage of the proposed bill.

The proposed draft was submitted to the Bureau of the Budget and returned to the Commissioners with the advice that there is no objection on the part of that office to the presentation of the bill to Congress.

Respectfully,

JOHN RUSSELL YOUNG,  
*President, Board of Commissioners, District of Columbia.*

#### CHANGES IN EXISTING LAW

In compliance with paragraph 2a of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as introduced, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

(45 STAT. 1160) FEBRUARY 11, 1929

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SEC. 3. No settlement of any claim or cause of action herein authorized to be made by the Commissioners of the District of Columbia shall in any event exceed the sum of **["\$5,000"]** *\$10,000* and all settlements entered into by the Commis-

sioners of the District of Columbia acting under the terms and provisions of this Act shall be presented to the Congress, together with a brief statement of the nature of the claim or suit, the amount claimed, and the amount of the settlement, with a summary of the evidence and circumstances under which the settlement was made. Appropriations for the payment of such settlements are hereby authorized, payment thereof to be made in the same manner as are other expenditures for the District of Columbia.

*Sec. 5. That upon a report by the corporation counsel of the District of Columbia showing in detail the just and true amount and condition of any claim or suit which the District of Columbia may now or hereafter have against any person, firm, association, or corporation, and the terms upon which the same may be compromised, and stating that in his opinion a compromise of such claim or suit would be for the best interest of the District of Columbia, the Commissioners of the District of Columbia be, and they hereby are, authorized to compromise such claim or suit accordingly; Provided, however, That no claim or suit so compromised shall be reduced by an amount greater than \$10,000: And provided further, That this section shall not apply to claims or suits for taxes or special assessments.*

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